CADENCE OF ACADIANA, INC.

FINANCIAL REPORT

JUNE 30, 2024

CONTENTS

BROUSSARD
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
CADENCE of Acadiana, Inc.
Lafayette, Louisiana

Opinion

We have audited the accompanying financial statements of CADENCE of Acadiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of CADENCE of Acadiana, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CADENCE of Acadiana, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CADENCE of Acadiana, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CADENCE of Acadiana, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CADENCE of Acadiana, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of revenues and expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Broussard Poche', LLP

Lafayette, Louisiana
November 6, 2024

FINANCIAL STATEMENTS

CADENCE OF ACADIANA, INC.

STATEMENTS OF FINANCIAL POSITION
June 30, 2024 and 2023

ASSETS	2024	2023
CURRENT ASSETS		
Cash and cash equivalents	$ 3,333,541	$ 3,668,509
Certificate of deposit	1,042,870	-
Accounts receivable	495,374	441,450
Prepaid expenses	35,009	51,891
Other receivable	61,422	61,422
Total current assets	$ 4,968,216	$ 4,223,272
PROPERTY AND EQUIPMENT		
Furniture and fixtures	$ 402,111	$ 402,111
Equipment	174,365	174,365
Leasehold improvements	41,699	41,699
Less: accumulated depreciation	(418,784)	(362,537)
Net property and equipment	$ 199,391	$ 255,638
Right of use assets, net	$ 984,969	$ 1,077,332
OTHER ASSETS		
Other receivable – long-term portion	$ 46,066	$ 107,488
Deposits	19,939	19,939
Total other assets	$ 66,005	$ 127,427
Total assets	$ 6,218,581	$ 5,683,669
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 12,124	$ 13,999
Accrued payroll and related liabilities	219,738	196,388
Operating lease liabilities, current portion	196,185	200,143
Total current liabilities	$ 428,047	$ 410,530
LONG TERM LIABILITIES		
Accrued compensated absences	$ 76,934	$ 76,373
Operating lease liabilities, less current portion	794,239	879,400
Total long-term liabilities	$ 871,173	$ 955,773
Total liabilities	$ 1,299,220	$ 1,366,303
NET ASSETS		
Without donor restrictions	$ 4,919,361	$ 4,317,366
Total liabilities and net assets	$ 6,218,581	$ 5,683,669

See Notes to Financial Statements.

CADENCE OF ACADIANA, INC.

STATEMENTS OF ACTIVITIES
Years Ended June 30, 2024 and 2023

	Without Donor Restrictions	
	2024	2023
REVENUES, GAINS, LOSSES AND OTHER SUPPORT		
Rehabilitation service contracts	$ 5,615,931	$ 5,680,480
Bonus payments to Support Coordination Agencies	149,100	-
Loss on disposal of property and equipment	-	(605)
Interest income	95,671	-
Total revenue, gains, losses and other support	$ 5,860,702	$ 5,679,875
EXPENSES		
Program services:		
Case management	$ 4,573,227	$ 3,846,606
Supporting services:		
General and administrative	685,480	782,648
Total expenses	$ 5,258,707	$ 4,629,254
Change in net assets	$ 601,995	$ 1,050,621
Net assets at the beginning of the year	4,317,366	3,266,745
Net assets at the end of the year	$ 4,919,361	$ 4,317,366

See Notes to Financial Statements.

CADENCE OF ACADIANA, INC

STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended June 30, 2024 and 2023

	2024			2023		
	Program Services Case Management	Supporting Services General and Administrative	Total Program and Support Services	Program Services Case Management	Supporting Services General Administrative	Total Program and Support Services
PAYROLL AND RELATED EXPENSES						
Salaries	$ 3,309,079	$ 407,641	$ 3,716,720	$ 2,804,824	$ 519,973	$ 3,324,797
Employee benefits -						
Payroll taxes	257,279	24,957	282,236	219,439	27,441	246,880
Group insurance	277,098	15,619	292,717	195,888	16,582	212,470
Total payroll and related expenses	$ 3,843,456	$ 448,217	$ 4,291,673	$ 3,220,151	$ 563,996	$ 3,784,147
OTHER EXPENSES						
Advertising	$ 33	$ 150	$ 183	$ -	$ -	$ -
Computer expense	46,280	9,369	55,649	48,946	9,431	58,377
Consultant fees	1,513	14,584	16,097	7,763	5,603	13,366
Dues, subscriptions and licenses	13,267	6,825	20,092	13,140	1,134	14,274
Education and professional development	1,900	544	2,444	726	1,260	1,986
Insurance	77,602	7,845	85,447	53,979	6,512	60,491
Lease expenses	228,322	-	228,322	180,309	-	180,309
Medical expenses	4,019	-	4,019	5,480	-	5,480
Office expense/supplies	139,394	3,839	143,233	147,704	6,900	154,604
Professional fees	-	161,201	161,201	-	127,816	127,816
Rent expense	13,110	-	13,110	15,286	-	15,286
Repairs and maintenance	23,291	198	23,489	50,505	39,475	89,980
Telephone	21,774	2,847	24,621	20,261	2,657	22,918
Travel	99,725	29,861	129,586	29,812	17,864	47,676
Utilities	3,295	-	3,295	680	-	680
Total other expenses	$ 673,525	$ 237,263	$ 910,788	$ 574,591	$ 218,652	$ 793,243
Total expenses before depreciation	$ 4,516,981	$ 685,480	$ 5,202,461	$ 3,794,742	$ 782,648	$ 4,577,390
Depreciation	56,246	-	56,246	51,864	-	51,864
Total expenses	$ 4,573,227	$ 685,480	$ 5,258,707	$ 3,846,606	$ 782,648	$ 4,629,254

See Notes to Financial Statements.

CADENCE OF ACADIANA, INC.

STATEMENTS OF CASH FLOW
Years Ended June 30, 2024 and 2023

	2024	2023
OPERATING ACTIVITIES		
Change in net assets	$ 601,995	$ 1,050,621
Adjustments to reconcile change in net assets to operating activities:		
Depreciation	56,246	51,864
Loss on disposal of property and equipment	-	605
Interest income earned on certificate of deposit	(42,870)	-
(Increase) decrease in assets -		
Accounts receivable	(53,924)	(95,657)
Other receivable	61,422	56,303
Prepaid expenses	16,882	(17,245)
Right of use assets	194,055	154,450
Deposit	-	(6,371)
Increase (decrease) in liabilities –		
Accounts payable	(1,875)	(22,131)
Accrued payroll and liabilities	23,350	48,691
Accrued compensated absences	561	10,374
Operating lease liabilities	(190,810)	(152,239)
Net cash provided by operating activities	$ 665,032	$ 1,079,265
INVESTING ACTIVITIES		
Purchase of fixed assets	$ -	$ (74,294)
Purchase of certificate of deposit	(1,000,000)	-
Proceeds from the disposal of property and equipment	-	8,500
Net cash used in investing activities	$ (1,000,000)	$ (65,794)
Net increase (decrease) in cash	$ (334,968)	$ 1,013,471
Cash at the beginning of the year	3,668,509	2,655,038
Cash at the end of the year	$ 3,333,541	$ 3,668,509
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Right of use assets and lease liabilities for operating leases recorded for Implementation of ASU 2016-02, Leases	$ -	$ 579,455
Right of use assets obtained in exchange for new lease obligations – operating	$ 101,691	$ 652,327
Right of use assets and accumulated amortization removed for the termination of operating lease.	$ 65,065	$ -

See Notes to Financial Statements.

Note 1. Nature of Organization and Significant Accounting Policies

Nature of operations: -

CADENCE of Acadiana, Inc. is a non-profit organization that provides case management services to infants and toddlers, mentally retarded/developmentally disabled waiver participants; adult disabled and elderly waiver participants and the HIV population throughout South Louisiana. The organization also provides professional vocational rehabilitation counseling and related services for injured employees who have outstanding workers' compensation claims. The Organization provides services through the Louisiana Department of Health and Hospitals and currently services three regions (Baton Rouge, Thibodeaux, and Lafayette) consisting of 21 parishes in the State of Louisiana. The services are funded primarily from Medicaid reimbursements.

Significant Accounting Policies:

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Net assets without donor restrictions – Net assets without donor restrictions are resources available to support operations and not subject to donor or grantor restrictions.

Net assets with donor restrictions – Net assets with donor restrictions are resources that are subject to donor-imposed or grantor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity. CADENCE of Acadiana, Inc. did not have any donor restricted net assets as of June 30, 2024 and 2023.

Revenue and revenue recognition -

The Organization provides case management services through the Louisiana Department of Health and Hospitals. The services are provided under costs reimbursable contracts and insurance companies. As services are provided, the insurance is billed and revenue is recognized at a point in time. The basis for payment to the Organization under the insurance agreements includes predetermined rates.

Revenue with and without donor restrictions -

Contributions that are restricted by the donor are reported as contributions with donor restrictions that increase that net asset class. When donor restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions of property and equipment are reported as net assets with donor restrictions if the donor restricted the use of the property or equipment to a particular program, as are contributions of cash restricted to the purchase of property and equipment. Otherwise, donor restrictions on contributions of property and equipment or assets restricted for purchase of property and equipment are considered to expire when the assets are placed in service.

All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

Donated services -

The organization recognizes donated services that (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Donor-restricted funds –

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as donor restricted support that increases this net asset class. However, if a restriction is fulfilled in the same reporting period in which the contribution is received, the entity reports the support as unrestricted.

Use of estimates -

The preparation of financial statements in conformity with generally accepted accounting principles of the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income taxes -

CADENCE of Acadiana, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. However, should the Organization engage in activities unrelated to its exempt purpose, taxable income could result. The Organization did not have any material unrelated business income for the fiscal years under audit. In addition, CADENCE of Acadiana, Inc. has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

The Organization has not adopted any uncertain tax positions with respect to those amounts reported in its fiscal years ended June 30, 2024 and 2023 financial statements.

Cash and cash equivalents -

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Accounts receivable and allowance –

For the year ended June 30, 2023, the Organization considers accounts receivable to be fully collectible. Accordingly, no allowance for doubtful accounts were recorded. Accounts receivable balances are charged off based on management's judgement.

For the year ended June 30, 2024, the Organization used historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of accounts receivables at year-end is consistent with historical conditions as the services reimbursement contracts have not changed significantly. The Organization also took into account current economic conditions, such as unemployment rates and looked for trends. As of June 30, 2024, the Organization has estimated that the estimated credit loss is not significant to the financial statements.

The Organization writes off receivables when there is information that indicates that the claim will not be reimbursed. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expenses in the year of recovery.

The receivable balance under state contracts as of June 30, 2024, 2023, and 2022 were $495,374, $441,450, and $345,793, respectively.

Property and equipment -

Property and equipment are valued at historical cost for assets purchased and at fair market value at the date of donation for contributed assets. Donations of property and equipment are recorded as support at their estimated fair market value and are reported as unrestricted unless the donor has restricted the donated assets for a specific purpose. The organization has a policy of capitalizing all acquisitions in excess of $1,500.

Depreciation is computed using the straight-line method at rates based on the following useful lives:

	Years
Furniture and fixtures	7
Equipment	5-15
Leasehold improvements	5-20

Total depreciation expense for the years ended June 30, 2024 and 2023 was $56,246 and $51,864, respectively.

Leases -

Effective July 1, 2022, the Organization adopted ASU 2016-02, Leases (Topic 842) issued by the Financial Accounting Standards Board (FASB). The Organization determines if an arrangement contains a lease at inception based on whether the Organization has the right to control the asset during the contract period and other facts and circumstances. The new standard establishes a right to use (ROU) model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classifications affecting the pattern of expense recognition in the income statement. Leases with a term of less than 12 months will not record a right of use asset and lease liability and the payments will be recognized into profit or loss on a straight-line basis over the lease term.

ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease (or July 1, 2022, for existing leases upon the adoption of Topic 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Company made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of Topic 842).

Concentration of credit risk -

The Organization places its cash with high quality financial institutions. However, at times, such amounts may be in excess of the Federal Deposit Insurance Corporation (FDIC) limits. As of the end of the year, the Organization did not anticipate any losses as it relates to these concentrations.

The Organization has a significant concentration of revenue and accounts receivable related to Medicaid reimbursements. For the years ended June 30, 2024 and 2023, Medicaid reimbursements accounted for approximately 93.0% and 97.9%, of total revenue, respectively. As of June 30, 2024 and 2023, Medicaid reimbursement receivables represented 96% and 99% of total accounts receivable. The Organization believes that its services fulfill a critical need in the community and that Medicaid reimbursements will continue to be stable source of funding. The Organization closely monitors Medicaid policy changes and reimbursement trends, and implements efficient billing and collection processes to minimize payment delays. However, management acknowledges the need for ongoing monitoring and adaptation to changes.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. The Statements of Functional Expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. General and administrative expenses include those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of the Organization.

Liquidity -

Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash and liabilities according the nearness of their maturity and resulting use of cash.

Vacation and sick leave -

Vacation is earned after one year of employment and is calculated based on each employee's anniversary year. Any unused vacation as of an employee's anniversary date is forfeited. Upon separation, employees will be compensated for any unused vacation generated in the current year. The Executive Director shall have the option to elect a rollover or sell-back of any unused annual leave time, not to exceed three weeks. Accordingly, an accrual has been recorded for current accumulated vacation as of June 30, 2024 and 2023, respectively.

Sick leave with pay is earned at a rate of 40 hours per calendar year, commencing 90 days after employment. Sick leave may be accumulated only for use in an extended illness. No sick leave or extended illness leave is payable to an employee upon separation.

Advertising -

Advertising costs are charged to operations when incurred. Total advertising expense for the years ended June 30, 2024 and 2023 was $183 and $ - 0 -, respectively.

New accounting pronouncements -

Effective July 1, 2023, the Organization adopted the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, and all subsequent amendments to the ASU. This standard replaces the previous incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of information to calculate credit loss estimates.

The Organization has applied the standard's provision using the modified retrospective approach. The adoption of this standard did not result in a cumulative-effect adjustment to net assets. The adoption of this standard also requires the Organization to enhance their systems and processes for estimating credit losses, including the development of new forecasting models and incorporating a broader set of information to estimate credit losses.

Note 2. Other Receivable

On March 20, 2021, Goodwill Industries of Acadiana, Inc. signed a written agreement to pay the Organization a total of $301,989 in 59 monthly installments of $5,118. First payment was due on April 1, 2021. There is no interest accrued or to be paid on the principal payment.

The aggregate maturities of principal payments due on this agreement by fiscal year are as follows:

2025	$ 61,422
2026	46,066
	$ 107,488

Note 3. CARES Act Provider Relief Funds

The Provider Relief Funds support American families, workers, and the heroic healthcare providers in the battle against COVID-19 outbreak. During the fiscal year ended June 30, 2021, the Organization received $81,452 in Provider Relief Funds. Eligible expenses was incurred under the provisions of the funding and was recognized as revenue in the fiscal years ended June 30, 2022 and June 30, 2021 in the amounts of $20,126 and $61,326, respectively.

Recipients who received payments exceeding $10,000 are required to report to the Department of Health & Human Services. The Organization should have reported the use of the funds during the period of January 1, 2022 to March 31, 2022. The Organization did not report the funds as required by the guidelines. On June 23, 2023, the Organization received a notification that the Organization was not in compliance with the statutory authority or the Terms and Conditions of the PRF program. They were given 60 days (August 22, 2023) to return all payments received in the amount of $81,452. On August 1, 2023, the Organization requested a review of Health Resources and Services Administration's decision to seek repayment. On October 10, 2023, HRSA granted the Organization 30 days to report. The Organization correctly filed the report on October 31, 2023.

Note 4. Leases

The company leases office space under operating lease agreements that have initial terms ranging from 2 to 5 years. Some leases include options to renew, generally at the Organization's sole discretion, with renewal terms that can extend the lease terms. In addition, certain leases contain termination options, where the rights to terminate are held by either the Company, the lessor or both parties. These options to extend or terminate a lease are included in the lease terms when it is reasonably certain that the Organization will exercise that option. The Organization's operating leases generally do not contain any material restrictive covenants or residual value guarantees.

On April 1, 2020, the Organization entered into an operating lease for office space. The lease is for a period of 24 months with a monthly payment of $2,800. On May 1, 2022, there was a new lease signed for a period of 24 months with a monthly payment of $2,800 for 12 months and a monthly payment of $3,000 for the next twelve months.

On January 1, 2022, the Organization entered into an operating lease for office space. The lease is for a period of 60 months with a monthly payment of $9,642, with an option to renew for an additional 60 month term. The optional renewal term was not recognized as part of the ROU asset and lease liability.

On January 1, 2023, the Organization entered into an operating lease for office space. The lease is for a period of 60 months with a monthly payment of $6,372, with an option to renew for an addition 60 month term at a monthly payment of $6,758. The optional renewal term was recognized as part of the ROU asset and lease liability.

On June 12, 2024, the Organization entered into an operating lease for office space. The lease is for a period of 36 months with a monthly payment of $3,000 for the first 24 months and $3,090 for the next 12 months.

Operating lease cost is recognized on a straight-line basis over the lease term. The operating lease costs for the year ended June 30, 2024 and 2023 is $228,322 and $180,309, respectively.

The ROU assets under leases as of June 30, 2024 and 2023 are as follows:

Operating Leases

	2024	2023
Buildings	$ 1,268,408	$ 1,231,782
Accumulated amortization	(283,439)	(154,450)
Right-of-use assets, net	$ 984,969	$ 1,077,332

The weighted-average remaining lease term for operating leases as of June 30, 2024 and 2023 is 6.13 years and 7.03 years, respectively.

The weighted-average discount rate for operating leases as of June 30, 2024 and 2023 is 3.66% and 3.49%, respectively.

Future undiscounted cash flows for each of the next five years and thereafter and a reconciliation to the lease liabilities recognized on the balance sheet are as follows as of June 30, 2024:

	Operating Leases
Years ending June 30:	
2025	$ 237,814
2026	228,171
2027	200,324
2028	78,778
2029	81,095
Thereafter	283,866
Total lease payments	$ 1,110,048
Less imputed interest	(119,624)
Total present value of lease liabilities	$ 990,424

Note 5. Bonus Payments to Support Coordination Agencies (SCAs)

In July 17, 2023, the Organization was notified that the Centers for Medicare and Medicaid Services (CMS) approved the state of Louisiana's plan to pay $300 per month bonus payments to staff members of Support Coordination Agencies (SCAs). The Organization is a SCA of the Louisiana Department of Health and Hospitals. The $300 per month bonus payment will be split between the support coordinators (employees) and the SCA (the

Organization. The support coordinators will receive $250 per month bonus payment and the SCA will keep $50 to assist with employer related taxes.

The total amount received is $149,100 and in included as other support on the statement of activities. The Organization paid out $124,250 to the support coordinators (employees) in the current year which is included in case management on the statement of activities and salaries on the statement of functional expenses. The Organization maintained $24,850 to assist with employer related taxes.

The funds received are part of the American Rescue Plan Act money received by the State of Louisiana. The payments were one time bonus payments. The Organization does not anticipate similar payments in future years under normal operating conditions.

Note 5. Availability and Liquidity of Resources

The following represents the Organization's financial assets available for general expenditures that is, without donor or other restrictions limiting their use as of June 30, 2024 and 2023:

	2024	2023
Cash	$ 3,333,541	$ 3,668,509
Certificate of deposit	1,042,870	-
Receivables, current portion	495,374	441,450
Other receivables, current portion	61,422	61,422
Less: board designated funds	(3,095,669)	(2,000,000)
Total financial assets available to meet general expenditures within one year	$ 1,837,538	$ 2,171,381

Note 6. Employee Benefit Plan

The Organization has a 403(b) plan in effect that covers all full-time employees. Employees may contribute to the plan up to the maximum amount allowed by the Internal Revenue Code.

Note 7. Net Assets

The Organization's board of directors and executive director has chosen to designate $3,095,669 and $2,000,000 for the fiscal years ended June 30, 2024 and 2023, respectively. The money is designated for the purchase of real estate.

Note 8. Reclassifications

Certain reclassifications have been made in the financial statements at June 30, 2023, in order to be consistent with reporting in the current year. These reclassifications had no effect on previously reported net assets or changes in net assets.

Note 9. Subsequent Events

Management has evaluated subsequent events through November 6, 2024, the date at which the financial statements were available to be issued.

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SUPPLEMENTARY INFORMATION

CADENCE OF ACADIANA, INC.

SCHEDULES OF REVENUES AND EXPENSES
Years Ended June 30, 2024 and 2023

	2024					
	Program Services				Support Activities	
	Case Management			Total Case Management	General and Administrative	Total Program and support Services
	Region 2	Region 3	Region 4			
REVENUES	$ 761,492	$ 1,159,470	$ 3,844,069	$ 5,765,031	$ 95,671	$ 5,860,702
EXPENSES	645,630	719,523	3,151,828	4,516,981	685,480	5,202,461
Income (loss) before depreciation	$ 115,862	$ 439,947	$ 692,241	$ 1,248,050	$ (589,809)	$ 658,241
DEPRECIATION	20,274	5,337	30,635	56,246	-	56,246
NET INCOME (LOSS)	$ 95,588	$ 434,610	$ 661,606	$ 1,191,804	$ (589,809)	$ 601,995

	2023					
	Program Services				Support Activities	
	Case Management			Total Case Management	General and Administrative	Total Program and support Services
	Region 2	Region 3	Region 4			
REVENUES	$ 629,126	$ 1,151,045	$ 3,900,309	$ 5,680,480	$ (605)	$ 5,679,875
EXPENSES	542,904	652,248	2,599,590	3,794,742	782,648	4,577,390
Income (loss) before depreciation	$ 86,222	$ 498,797	$ 1,300,719	$ 1,885,738	$ (783,253)	$ 1,102,485
DEPRECIATION	20,274	5,337	26,253	51,864	-	51,864
NET INCOME (LOSS)	$ 65,948	$ 493,460	$ 1,274,466	$ 1,833,874	$ (783,253)	$ 1,050,621